



House Committee on Human Services and Housing  
Oregon State Capitol  
900 Court St NE  
Salem, OR 97301

March 4, 2019

Dear Chair Keny-Guyer, Vice-Chairs Noble and Sanchez, and Members of the Committee:

Umatilla Electric Cooperative (UEC) is a member-owned business that sells energy, invests in and supports other services to improve the quality of life in our communities. UEC serves a large portion of the Columbia Basin and Blue Mountain country of Northeastern Oregon. The cooperative's territory includes Boardman and northern Morrow County and covers much of Umatilla County, including portions of the cities of Hermiston and Pendleton.

I appreciate the opportunity to provide information regarding manufactured home replacement legislation. Based on research we did with Morrow and Umatilla County assessors, as of March 2017 Morrow County has approximately 517 and Umatilla County has 1707 mobile/manufactured homes that were built pre-HUD in 1975 or before.

Many of these homes are not energy efficient. As a result, we see electrical bills sky rocket during the summer and winter seasons. Many of these owners are on fixed incomes and are unable to pay their utility bills. For a utility, we often end up absorbing these costs. It is an issue not just for our cooperative, but for consumer owned utilities throughout the state.

UEC does offer our members a free home energy audit, a clothes washer rebate, a heat pump program, a water heater rebate program, a weatherization program, a new manufactured home program and a low interest energy saver loan program. However, collectively these programs are not sufficient alone to close the funding gap which is why these bills are important.

UEC has been studying this issue for a couple of years and unfortunately, we kept running into more obstacles than solutions. These include costs of decommissioning, the challenge of disposal, inadequate funding mechanisms, addressing homes in manufactured home parks, educating customers, lack of expertise and the absence of a holistic replacement approach. We've looked at BPA incentives and USDA Rural Energy Savings Program loan and grant programs as possible pathways. We have had discussions with Oregon Housing and Community Services, Oregon Department of Energy and Energy Trust of Oregon, and while all agree this is a problem that needs to be addressed, there has been no clear pathway to success.

What we've observed is that not one approach is going to work, but rather working collaboratively with federal, state, local, funding partners and lenders, utilities and individuals with complementary incentives

**750 W. Elm Street • PO Box 1148 • Hermiston OR 97838**

**Phone: (541) 567-6414**

**Fax: (541) 567-8142**

**Toll Free: 800-452-2273**

and expertise will be the best approach. Thanks to the efforts of Representative Marsh and many of the stakeholders here today, this suite of bills finally puts a spotlight on the need and offers solutions. We know that Senator Hansell and Representative Smith are strong supporters of finding a solution for manufactured home replacements for their districts.

These bills fit nicely with two of the legislature's priorities this session, housing and energy efficiency. UEC recently did an energy efficiency survey of our members and asked, "*How important is it for UEC to provide programs to assist members with grants and loans to replace their older, poorly insulated mobile or manufactured homes?*" 68% of our members said it was either moderately, very or extremely important and only 16% answered not important. This tells you that it is an important issue for eastern Oregonians, and not just an urban problem.

These bills are a first step in the right direction. I urge your strong consideration of HB 2893, HB 2894, HB 2895 and HB 2896.